EXTENSIONS OF REMARKS

INTRODUCTION OF THE PRIVATE CONTRACTING CLARIFICATION ACT OF 1998

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1998

Mr. CARDIN. Mr. Speaker, today I introduce the Medicare Private Contracting Clarification Act of 1998. This legislation clarifies a provision of the Balanced Budget Act which, for the first time, allows doctors to privately contract with Medicare beneficiaries for services normally covered by Medicare. My bill will make clear that nothing in this provision prevents Medicare beneficiaries from privately paying for services not covered by Medicare. This has always been true for our seniors, and it remains true under current law.

Prior to passage of the Balanced Budget Act (BBA), federal law did not address the issue of private contracting between Medicare beneficiaries and their doctors. The Kyl amendment to BBA explicitly allows doctors to reject Medicare and privately contract with their patients for Medicare-covered services. For patients entering into private contracts, this means that they will be unable to use either their Medicare or Medigap coverage for their care.

However, BBA includes assurances that private contracting will not destroy the balance billing limits and other patient protections of the Medicare program. Most importantly, BBA bars physicians who choose to privately contract from the Medicare program for two years. This means that patients will know in advance whether or not their Part B insurance is valid for a doctor's care. It means that Medicare patients can expect consistent and timely care from a physician, regardless of the patient's ability to pay out-of-pocket for a Medicare benefit under a private contract. In sum, seniors can rest assured that their Medicare coverage will be there for them when they need it.

Unfortunately, false claims are being made about BBA's private contracting provisions. Proponents of private contracting are seeking to remove the two year exclusion period in BBA. In an effort to vastly expand doctors' ability to engage in private contracting, they claim that doctors will need private contracts for all services, even those not covered by Medicare. This is simply not true. Nothing in the Balanced Budget Act affects the ability of seniors to privately pay doctors for services that Medicare does not cover.

Despite this fact, some groups continue to wage misinformation campaigns. My bill will put an end to this false rhetoric by clarifying that no private contract is required for a service that Medicare does not cover. It will eliminate the confusion surrounding this much-debated issue, to assure seniors that their contract with Medicare, a public contract, will continue to be honored.

Mr. Speaker, we have scarcely had time to understand the impact of the existing private contracting provisions on the Medicare program. The Congressional Budget Office has already stated that private contracting holds a ''serious potential for overbilling.'' Congress recently created a commission to examine ways to ensure the long-term financial stability of Medicare. To vastly expand the scope of this provision on the basis of inaccurate claims about its effect on doctors is a grave mistake, especially during this crucial period in the history of the program.

If we must pass legislation on the private contracting issue, let us focus our attention on clarifying current law to assure seniors that their Medicare coverage will be there for them when they need it. BBA allows doctors to privately contract with Medicare beneficiaries, while preserving the balance billing limits, fraud and abuse controls, and patient protections of the Medicare program. I would hope our priority in Congress would be to preserve our commitment to our senior citizens and their health care. Let's keep the Medicare program in tact.

ACCESS TO ENERGY

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1998

Mr. PAUL. Mr. Speaker, recently, a national newsletter focusing on science, technology and energy policy highlighted the small town of Seadrift, Texas located in my District.

While focusing on Seadrift this newsletter article (Access to Energy) went on to make important points regarding the contributions which science and technology have made to freedom and industry and to the quality of life of people everywhere.

Moreover, the article outlines how certain radicals would shut off technological benefits in the name of protecting earth at the expense of the humans who live on this planet. I commend this article to every Member and insert it in the record as an extension hereof.

[From Access to Energy, February 1998]

SEADRIFT

Near the Gulf of Mexico, on the road between Houston and Corpus Christi, is the town of Victoria, Texas—one of the oldest settlements in the western United States. Thirty-five miles southeast of Victoria, rising out of the mists that roll in from the Gulf near the town of Seadrift, is one of America's great petrochemical plants, built by Union Carbide in 1954 and later expanded several times.

I feel that I know this plant well, since I have a large framed aerial photograph of it on the wall beside me along with a matching framed artist's drawing of the plant before it was built. Under the artist's drawing is the aluminum hard hat of the man who was in charge of the design and construction of this plant and partially responsible for its operation during the first four years—my father, Edward H. ''Ted'' Robinson. His most trusted and valued co-worker at that time, Arnold Graham, still lives in Victoria, remembering their efforts.

Ted Robinson went on to lead teams of engineers who designed and built similar Union Carbide plants in Puerto Rico, Scotland, Belgium, Brazil, Japan, and India. He is buried in an alpine glacier near the top of Mont Blanc on the border between France and Italy, which contains the remains of the Air India Boeing 707 that crashed there on January 24, 1966. The cause of this crash is not known for certain. It is believed to have been the work of assassins that killed the Indian physicist Bhaba, who was then head of the nuclear energy program of India and was also on the airplane.

The original plant at Seadrift produced primarily polyethylene. It now produces additional products. This plant is a part of the vast infrastructure of chemical plants, built by the generation of Americans now in their 80s and the generations before them, that supplies the chemicals upon which our technological civilization depends. Along with the dams, bridges, foundries, mines, wells, mills, factories, railroads, research laboratories, computers, and other technological installations that have been built by the past several generations of Americans, these plants form the technological superstructure upon which our science, technology, and economic freedom depend.

The capital required to build these things was supplied by the savings of tens of millions of people, who set aside part of the money they had earned and invested it in the free market in hopes of making a profit. It was also built by the profits retained by the corporations themselves. Capital alone did not, however, build the industries—people did. These people were led by unusual individuals whose love of science and technology dominated their personal lives and drove them and those around them to ever greater accomplishments.

Archibald MacLeish told me many years ago that the thing that impressed him most about human beings was their amazing ability to love—and he was not thinking of the shallow phenomenon that dominates the lyrics in the cacophony of ''pusic'' (word invented by a musician friend) which pollutes most of America's radio stations.

Each person has an enormous capacity to love—in many different ways. In some individuals, a part of this love is intensely directed toward science and technology. My father, for example, was simply head-over-heels in love with chemical plants (and with my mother, but that is another story). He lived and breathed their design and construction. When not in use for food, our kitchen table was covered with blueprints. He had no hobbies or avocations—the building of chemical plants was his vocation and all of his avocations combined. And, as a result of this all-consuming love, he built superb plants.

I have seen this sort of love in a few other individuals. Mrs. Merrifield, the wife of R. Bruce Merrifield, who was the first man to synthesize an enzyme, described her husband's love affair with each of the 20 naturally occurring amino acids—a love that enabled him to link them together in ways never before accomplished.

Linus Pauling, regardless of the low state of his personal and professional ethics, was completely in love with the structures of molecules. The incredible joy Linus felt as